Program Memorandum Intermediaries

Department of Health & Human Services (DHHS)
Centers for Medicare & Medicaid Services (CMS)

Transmittal A-02-114 **Date: NOVEMBER 1, 2002**

CHANGE REQUEST 2112

SUBJECT: Revisions to the Outpatient Prospective Payment System (OPPS) Pricer Software and OCE for Blood Deductible and Technical Charges

I - GENERAL INFORMATION

A - Background

This Program Memorandum (PM) provides instructions for the creation of new input and output codes to and from the OPPS Pricer in order properly assess the amount of blood deductible due on a line and on a claim and to properly calculate payments when provider technical charges are shown on a line of the claim It also clarifies the proper inputs for OPPS services to the Common Working File (CWF) and National Claims History (NCH).

1. New OPPS PRICER inputs and outputs for blood deductible – A one position numeric claim level field (with valid entries of "0" or "1" or "2" or "3") will be added to the input record coming to OPPS PRICER from the OCE/Standard system to indicate the number of pints of blood deductible (from value code 38) remaining to be met by the beneficiary. The output record from OPPS PRICER to the standard system will be modified by adding 1) a 9(05) V9(02) numeric line item level field for blood deductible dollars and 2) a one position numeric claim level field to indicate the number of pints of blood deductible remaining to be met by the beneficiary that was submitted by the standard system and 3) a one position numeric claim level field to indicate the number of pints of blood deductible met (or used) on this OPPS claim (i.e., the actual number of pints PRICER was able to assess to the OPPS services on this claim) and 4) a 9(05) V9(02) numeric claim level field for blood deductible dollars due from the beneficiary.

Blood deductible pints remaining (as input to PRICER above) will be subtracted one for one from any line items with HCPCS code P9021. If any blood deductible pints still remain they will be subtracted one pint for one unit from any line items with HCPCS code P9010, and then from any line items with HCPCS code P9038, and then from any line items with HCPCS code P9016, and then from any line items with HCPCS code P9022, and then from any line items with HCPCS code P9039 and then from any line items with HCPCS code P9040. As an example, if a claim is input with 3 pints remaining and the claim had one line with 2 units of HCPCS P9021 and 2 units of HCPCS P9016 PRICER would first use 2 units of P9021 and then 1 unit of P9016 to meet the 3 pint deductible.

PRICER will determine the blood deductible dollar amount for each line item by multiplying the pints (units) used on that line by the corresponding APC payment rate. PRICER will determine the blood deductible dollar amount for the claim by adding all line item blood deductible dollar amounts.

The standard system must coordinate OPPS blood deductible outputs with any other blood deductible applications for other services on the same claim prior to sending the claim to CWF. If CWF returns the claim due to errors in blood deductible application the claim must be resubmitted to OPPS PRICER with the corrected amount of blood deductible to be met by the beneficiary.

2. New OCE Code to indicate provider technical charges – A new OCE code must be added to the line item action flag to allow intermediaries to identify provider technical charges. When a line item action flag of "4" is set by the intermediary, OPPS PRICER will calculate the correct amount of coinsurance and blood and cash deductible due and return them as usual. The charges submitted on this line and/or (for post 4/1/02 claims) apportioned to this line will not be used in calculating any possible claim or line level outlier payments and the provider reimbursement amount will be set to $0.00.

3. Transmission of OPPS PRICER output to CWF/NCH –Standard systems must transmit both the national adjusted coinsurance amount and the reduced coinsurance amount to CWF and NCH as output from the OPPS PRICER. This will enable the paid claim record used by the PS & R system to capture all data needed to properly settle cost reports.

II - BUSINESS REQUIREMENTS

Claims Processing Requirements:

III - POSSIBLE DESIGN CONSIDERATIONS AND SUPPORTING INFORMATION

A - Inputs:

B - Outputs:

C - Interfaces:

D - Provider Impact: N/A

E - Contractor Financial Reporting /Workload Impact: This instruction will result in impacts to financial reporting or contractor workload.

F - Dependencies: This Change Request is not dependent on any other current Change Request or on any pending regulation/instruction.

G - Testing Considerations: N/A

IV - Attachment(s) N/A

The *effective date* for this Program Memorandum (PM) is April 1, 2003

The *implementation date* for this PM is April 1, 2003.

These instructions should be implemented within your current operating budget.

This PM may be discarded after October 1, 2003.

If you have any questions, contact your regional office.